


TRANSMITTAL

To: Council	DATE 11-20-18	COUNCIL FILE NO. 16-0411
From: Municipal Facilities Committee		COUNCIL DISTRICT 6

At its meeting of November 15, 2018, the Municipal Facilities Committee approved recommendations in the attached Department of General Services (GSD) report and instructed staff to transmit to Council for consideration. Council approval of the report recommendations would authorize GSD to negotiate and execute a new lease with Legal Expres LLC to operate a legal services business in Suite A of the Marvin Braude Retail Mall located at 6262 Van Nuys Boulevard, under the terms and conditions substantially outlined in the report.

Fiscal Impact Statement: Approval of the report recommendations and lease will result in \$3,486 monthly or \$41,832 annually and are unanticipated revenues to the General Fund.


Richard H. Llewellyn, Jr.
City Administrative Officer
Chair, Municipal Facilities Committee

RHL:JVW/nsh15190046

Attachment

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
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CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

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November 15, 2018

Honorable City Council
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Attention: Leyla Campos, Legislative Assistant

**REQUEST AUTHORIZATION TO NEGOTIATE AND
EXECUTE A NEW LEASE WITH LEGAL EXPRES
MANAGEMENT AT THE MARVIN BRAUDE RETAIL MALL**

The Department of General Services (GSD), requests authorization to negotiate and execute a new lease with Legal Expres Management (Legal Expres) to operate a legal services business in Suite A at the Marvin Braude Retail Mall (Braude Retail Mall) located at 6262 Van Nuys Boulevard in Van Nuys.

BACKGROUND

Five of the seven retail suites at the Braude Retail Mall have been vacant for several years. At the request of the Councilmember for this district a new Request for Proposals (RFP) was issued to revive this location and increase pedestrian activity with customer based retail businesses serving the local community and Civic Center visitors.

The RFP was issued in June 2018 and generated three proposals. Each was reviewed by a committee consisting of the Council Office in an advisory capacity, the CAO and a GSD Real Estate Officer. Legal Expres was awarded Suite A to operate a legal services business based on its business background, financial strengths and capability to add a valuable service to the community. The RFP will remain open until the five retail sites are filled.

Legal Expres provides affordable legal services for underserved people in the Van Nuys community. These include criminal defense, family law, civil litigations, and debt



settlement. The managing directors of this company have served the Van Nuys community for several years with more than 40 years of combined management experience.

MARKET ANALYSIS

Legal Express proposed \$2.10 per square foot for the use of Suite A. As indicated on the attached market analysis, this rate falls mid-range between the low at \$1.50 and high at \$4.25 with most comparable locations in the \$2.00 range.

TERMS AND CONDITIONS

The lease agreement will contain the following:

LOCATION:	6262 Van Nuys Boulevard, Suite A
LANDLORD:	City of Los Angeles
USE:	Legal services
TERM:	5 years
OPTION:	5 years
SQUARE FEET:	Approximately 1,660
RENTAL RATE:	\$3,486 monthly (\$2.10 per square foot)
ESCALATION:	Up to 3% annually based on the CPI
SECURITY DEPOSIT:	\$6,972 (rent for two months)
UTILITIES:	Separately metered. All utility cost will be at the sole responsibility of the tenant.
TENANT IMPROVEMENTS:	All TI costs will be the sole responsibility of the tenant
PARKING:	None
CUSTODIAL:	Any custodial costs will be the sole responsibility of the tenant

MAINTENANCE:

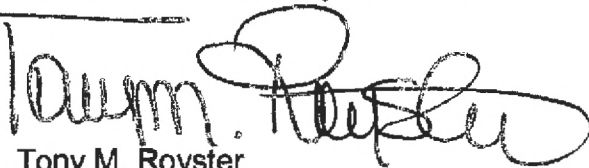
City will maintain the building systems up to the suite. Tenant is responsible for all maintenance within the suite.

FISCAL IMPACT

This lease will generate revenue of \$3,486 monthly or \$41,832 annually to the General Fund.

RECOMMENDATION

That the Los Angeles City Council authorize the Department of General Services to negotiate and execute a lease agreement with Legal Express Management to operate a legal services business in Suite A at the Marvin Braude Retail Mall under the terms and conditions substantially as outlined in this report.



Tony M. Royster
General Manager

Attachment

Marvin Braude Retail Space - 6262 Van Nuys Blvd

Address	City	Property Type	Property Size	Space Avail	Rent/SF/Mo
14411-14445 Burbank Blvd	Van Nuys	Retail/Storefront (Neighborhood Center)	8,618 SF	2,600 SF	\$4.25
14416 Friar St	Van Nuys	Retail/Storefront	4,500 SF	1,956 SF	\$1.58
6314-6318 Sepulveda Blvd	Van Nuys	Retail	6,403 SF	2,200 SF	\$2.00
6310-6318 Van Nuys Blvd	Van Nuys	Retail/Storefront Retail/Office	16,363 SF	4,000 SF	\$2.00
6316 Van Nuys Blvd	Van Nuys	Retail/Storefront Retail/Office	8,600 SF	1,430 SF	\$2.25
6451-6453 Van Nuys Blvd	Van Nuys	Retail/Storefront	8,008 SF	6,750 SF	\$1.58-\$1.75
6741 Van Nuys Blvd	Van Nuys	Class C Office	12,650 SF	9,795 SF	\$1.52-\$2.66
14195 Vanowen St	Van Nuys	Retail/Storefront (Strip Center)	4,370 SF	1,850 SF	\$2.58
14519-14521 Vanowen St	Van Nuys	Retail/Storefront Retail/Office	5,798 SF	1,682 SF	\$2.00
14525-14529 Vanowen St	Van Nuys	Class C Office/Office/Residential	6,700 SF	2,810 SF	\$1.50